

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of Aquila, Inc. d/b/a)	Application No. NG-0041
Aquila Networks (Aquila), Omaha,)	
seeking individual rate increases)	SECOND HEARING OFFICER ORDER
for Aquila's Rate Area One, Rate)	AMENDING PROCEDURAL SCHEDULE
Area Two, and Rate Area Three.)	AND SETTING PREHEARING
)	CONFERENCE
)	
)	Entered: April 10, 2007

BY THE HEARING OFFICER:

On February 28, 2007, the Hearing Officer amended the procedural schedule in the above-captioned matter to include a preliminary report by the Commission's consultant and to schedule a prehearing conference.

Aquila's application presents what appear to be significant policy issues including, but not limited to, the establishment of a weather normalization adjustment (WNA), a revenue normalization adjustment (RNA), and limited cost recovery (LCR). The preliminary report by the Commission's consultant was intended to advise the parties of potential questions regarding these issues in advance of any settlement or hearing so that each would be prepared to provide relevant information.

Some of the parties expressed concerns regarding the impact of the release of a preliminary report at this time. A conference was held on April 6, 2007, to discuss the issue. The parties indicated that should a settlement be reached regarding Aquila's request for a WNA, LCR, or RNA, sufficient support for the settlement would be provided through the presentation of witnesses at hearing. Settlement of such policy issues will not be contained within any "black box" or generic settlement. This does not preclude the use of a generic settlement by the parties on other issues.

Based upon the foregoing, the Commission's consultant will not issue a preliminary report as previously ordered. Instead, should the Commissioners, the consultant or Commission staff have specific questions or require additional information regarding any of the issues presented by Aquila's application, the Commission will provide the questions to the parties for response.

A prehearing conference had been scheduled to discuss the report on April 18, 2007. This conference will be rescheduled for **May 22, 2007, at 2:00 p.m.** in the Commission Library, 1200 N Street, Suite 300, Lincoln, Nebraska.

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Nothing in this order shall be deemed a waiver of the right of Commission's staff to request additional information on the application, to issue data requests, or to cross-examine any witnesses at a later hearing.

O R D E R

IT IS THEREFORE ORDERED by the Hearing Officer that the Commission's consultant will not issue a preliminary report regarding the above-captioned application.

IT IS FURTHER ORDERED that the prehearing conference scheduled for April 18, 2007, is rescheduled for **May 22, 2007, at 2:00 p.m.** in the Commission Library, 1200 N Street, Suite 300, Lincoln, Nebraska.

MADE AND ENTERED at Lincoln, Nebraska, this 10th day of April, 2007.

BY THE HEARING OFFICER:


Frank Landis